

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

UNITED STATES OF AMERICA,

Plaintiff,

v.

KAREN CHAPON,
aka "Karen Hannafious,"

Defendant.

2:20-CR-286-JCM-NJK

Final Order of Forfeiture

The United States District Court for the District of Nevada entered a Preliminary Order of Forfeiture under Fed. R. Crim. P. 32.2(b)(1) and (b)(2); 18 U.S.C. § 981(a)(1)(C) with 28 U.S.C. § 2461(c); 18 U.S.C. § 982(a)(2)(A); and 21 U.S.C. § 853(p) based upon the plea of guilty by Karen Chapon, aka "Karen Hannafious," to the criminal offense, forfeiting the property and imposing an in personam criminal forfeiture money judgment set forth in the Plea Agreement and Forfeiture Allegation One of the Criminal Indictment and shown by the United States to have the requisite nexus to the offense to which Karen Chapon, aka "Karen Hannafious," pled guilty. Criminal Indictment, ECF No. 22; Change of Plea, ECF No. 118; Plea Agreement, ECF No. 119; Preliminary Order of Forfeiture, ECF No. 120.

This Court finds that on the government's motion, the Court may at any time enter an order of forfeiture or amend an existing order of forfeiture to include subsequently located property or substitute property under Fed. R. Crim. P. 32.2(e) and 32.2(b)(2)(C).

The in personam criminal forfeiture money judgment amount of \$596,931 complies with *United States v. Lo*, 839 F.3d 777 (9th Cir. 2016); *Honeycutt v. United States*, 581 U.S. 443 (2017); *United States v. Thompson*, 990 F.3d 680 (9th Cir. 2021); and *United States v. Prasad*, 18 F.4th 313 (9th Cir. 2021).

1 This Court finds the United States published the notice of forfeiture in accordance
2 with the law via the official government internet forfeiture site, www.forfeiture.gov,
3 consecutively from September 1, 2023, through September 30, 2023, notifying all potential
4 third parties of their right to petition the Court. Notice of Filing Proof of Publication
5 Exhibits, ECF No. 121-1, p. 5.

6 This Court finds the United States notified known third parties by regular mail and
7 certified mail return receipt requested or by e-mail of their right to petition the Court. Notice
8 of Filing Service of Process – Mailing, ECF No. 128.

9 On September 21, 2023, the United States Attorney's Office served Bank of America,
10 N.A. at Las Vegas, NV by regular and certified return receipt mail with the Preliminary
11 Order of Forfeiture and the Notice. Notice of Filing Service of Process – Mailing, ECF No.
12 128-1, p. 3, 7-14, 16-17.

13 On September 21, 2023, the United States Attorney's Office served Bank of America,
14 c/o Moore & Van Allen PLLC, by regular and certified return receipt mail with the
15 Preliminary Order of Forfeiture and the Notice. Notice of Filing Service of Process –
16 Mailing, ECF No. 128-1, p. 3, 7-14, 18-19.

17 On September 21, 2023, the United States Attorney's Office served Bank of America
18 at Newark, DE by regular and certified return receipt mail with the Preliminary Order of
19 Forfeiture and the Notice. Notice of Filing Service of Process – Mailing, ECF No. 128-1, p.
20 3, 7-14, 20-21.

21 On September 21, 2023, the United States Attorney's Office served Bank of America,
22 c/o CT Corporation System, Registered Agent, by regular and certified return receipt mail
23 with the Preliminary Order of Forfeiture and the Notice. Notice of Filing Service of Process
24 – Mailing, ECF No. 128-1, p. 3, 7-14, 22-23.

25 On September 21, 2023, the United States Attorney's Office served Goldfein
26 Attorneys at Law, Gregory Mgrditchian, Attorney at Law, by regular and certified return
27 receipt mail with the Preliminary Order of Forfeiture and the Notice. Notice of Filing
28 Service of Process – Mailing, ECF No. 128-1, p. 3, 7-14, 24-25.

1 On September 21, 2023, the United States Attorney's Office served Daimler Trust,
2 Daimler Title Co., and Mercedes Benz Financial Services, LLC, by regular and certified
3 return receipt mail with the Preliminary Order of Forfeiture and the Notice. The return
4 receipt for the mailing was returned unsigned. Neither the certified mailing nor the regular
5 mailing were returned. US Postal Service tracking shows the certified mail was delivered.
6 Notice of Filing Service of Process – Mailing, ECF No. 128-1, p. 3, 7-14, 26-29.

7 On September 21, 2023, the United States Attorney's Office served Small Business
8 Administration, c/o Saul Ramos, Director, by regular and certified return receipt mail with
9 the Preliminary Order of Forfeiture and the Notice. Notice of Filing Service of Process –
10 Mailing, ECF No. 128-1, p. 4, 7-14, 30-31.

11 On September 21, 2023, the United States Attorney's Office served Small Business
12 Administration, c/o Legal Department, by regular and certified return receipt mail with the
13 Preliminary Order of Forfeiture and the Notice. Notice of Filing Service of Process –
14 Mailing, ECF No. 128-1, p. 4, 7-14, 32-33.

15 On September 21, 2023, the United States Attorney's Office served Small Business
16 Administration, Office of Disaster Assistance, by regular and certified return receipt mail
17 with the Preliminary Order of Forfeiture and the Notice. Notice of Filing Service of Process
18 – Mailing, ECF No. 128-1, p. 4, 7-14, 34-35.

19 On September 21, 2023, the United States Attorney's Office served Cross River
20 Bank, Attn: Allan Komensky, by regular and certified return receipt mail with the
21 Preliminary Order of Forfeiture and the Notice. Notice of Filing Service of Process –
22 Mailing, ECF No. 128-1, p. 4, 7-14, 36-37.

23 On September 21, 2023, the United States Attorney's Office served Cross River
24 Bank, Attn: Legal Department, by regular and certified return receipt mail with the
25 Preliminary Order of Forfeiture and the Notice. Notice of Filing Service of Process –
26 Mailing, ECF No. 128-1, p. 4, 7-14, 38-39.

27 On October 26, 2023, the United States Attorney's Office served Cross River Bank,
28 Attention: Lauren Quandt, by regular and certified return receipt mail with the Preliminary

1 Order of Forfeiture and the Notice. Notice of Filing Service of Process – Mailing, ECF No.
2 128-1, p. 4, 7-14, 40-41.

3 On September 21, 2023, the United States Attorney's Office served WebBank, Attn:
4 Legal Department, in Salt Lake City, Utah, by regular and certified return receipt mail with
5 the Preliminary Order of Forfeiture and the Notice. Notice of Filing Service of Process –
6 Mailing, ECF No. 128-1, p. 4, 7-14, 42-43.

7 On September 21, 2023, the United States Attorney's Office served WebBank, c/o
8 Alan Garrett, Financial Crimes Compliance Manager, by regular and certified return receipt
9 mail with the Preliminary Order of Forfeiture and the Notice. Notice of Filing Service of
10 Process – Mailing, ECF No. 128-1, p. 4, 7-14, 44-45.

11 On September 21, 2023, the United States Attorney's Office attempted to serve
12 WebBank, Attn: Legal Department, in Summit, NJ, by regular and certified return receipt
13 mail with the Preliminary Order of Forfeiture and the Notice. Both mailings were returned.
14 Notice of Filing Service of Process – Mailing, ECF No. 128-1, p. 4, 7-14, 46-48.

15 On September 25, 2023, the United States Attorney's Office served WebBank with
16 the Preliminary Order of Forfeiture and the Notice via electronic mail per the request of
17 WebBank's Customer Care. Notice of Filing Service of Process – Mailing, ECF No. 128-1,
18 p. 5, 7-14, 50.

19 This Court finds no petition was filed herein by or on behalf of any person or entity
20 and the time for filing such petitions and claims has expired.

21 This Court finds no petitions are pending regarding the property named herein and
22 the time has expired for presenting such petitions.

23 THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that
24 all possessory rights, ownership rights, and all rights, titles, and interests in the property
25 hereinafter described are condemned, forfeited, and vested in the United States:

26 1. \$504,385.19; and

27 2. Cash in lieu of a gray 2018 Mercedes Benz G63 AMG sports utility vehicle
28 with vehicle identification number (VIN) WDCYC7DH6JX291626

1 (all of which constitutes property); and

2 that the United States recover from Karen Chapon, aka "Karen Hannafious," the in
3 personam criminal forfeiture money judgment of \$596,931, and that the net equity of 2018
4 Mercedes after storage fees, costs, and expenses will be applied toward the payment of the
5 money judgment under Ninth Circuit cases, forfeiture statutes, and Fed. R. Crim. P.
6 32.2(b)(2)(A); and

7 the forfeiture of the money judgment and the property is imposed under Fed. R.
8 Crim. P. 32.2(b)(4)(A) and (b)(4)(B); Fed. R. Crim. P. 32.2(c)(2); 18 U.S.C. § 981(a)(1)(C)
9 with 28 U.S.C. § 2461(c); 18 U.S.C. § 982(a)(2)(A); and 21 U.S.C. § 853(n)(7) and 853(p);
10 that the money judgment shall be collected; and that the property and the collected amount
11 shall be disposed of according to law.

12 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that under Fed. R.
13 Crim. P. 32.2(c) and 21 U.S.C. § 853(n)(7), all possessory rights, ownership rights, and all
14 rights, titles, and interests in the property are extinguished and are not recognized for Karen
15 Chapon, aka "Karen Hannafious," all third parties, and the following entities:

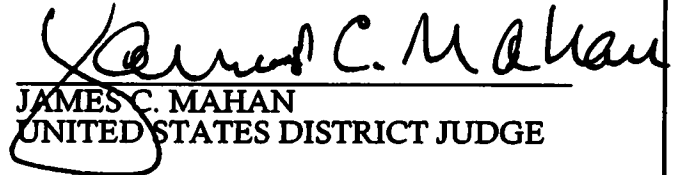
- 16 1. Bank of America;
- 17 2. Goldfein Attorneys at Law on behalf of Daimler Trust, Daimler Title Co., and
18 Mercedes Benz Financial Services, LLC;
- 19 3. Daimler Trust, Daimler Title Co., and Mercedes Benz Financial Services, LLC;
- 20 4. Small Business Administration;
- 21 5. Cross River Bank; and
- 22 6. WebBank.

23 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that any and all
24 forfeited funds, including but not limited to, currency, currency equivalents, certificates of
25 deposit, as well as any income derived as a result of the government's management of any
26 property forfeited herein, and the proceeds from the sale of any forfeited property shall be
27 disposed of according to law.

28 / / /

1 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Clerk send
2 copies of this Order to all counsel of record and three certified copies to the United States
3 Attorney's Office, Attention Asset Forfeiture Unit.

4 DATED March 20, 2024.

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7 JAMES C. MAHAN
8 UNITED STATES DISTRICT JUDGE
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